THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

August 14, 1948

TRAVEL PERMITS

AN EDITORIAL

Need To End Collaboration Issue

Chung Chen-Soo

Report From America

M. R. Werner

Sino-US Rural Reconstruction Pact

Full Text

US SPY SCARE

AN EDITORIAL

VOLUME 110 CNC$800,000 NUMBER 11

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LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

Dumbfounded Sinhui

To The Editor:

The recent headlong depreciation of the *fapi* left the market in a precious mess and dumbfounded every man in the street. I should say this was especially true of Sinhui. During this economic storm, a spectacular spiraling of commodity prices took place, with practically each item going up double or more. As a result, notes of below CN$5,000 denomination, were rejected in everyday business transactions. To cope with this serious situation, the hsien government resorted to force, rounding up rice retailers, butchers, fishmongers etc., who took exception to the small denomination notes in question. In view of the fact that these "small" notes, generally dubbed "wet firewood," were dishonored, (according to the local press, even Government banks in Kongmoon declined to accept "small" notes on various pretexts) or accepted at a 40 or 50 percent discount, circulation of "wet firewood" meant a loss of money to merchants who covered this loss by raising prices from two to four times the value of their goods. This counter measure virtually defeated the Government's own purpose, and rendered even more chaotic market conditions.

In my opinion, the best thing to do in a case like this, would be, as Premier Wong Wen-hao solemnly promised some time ago, to stop issuing new notes. Or at least the Government should order its banks to establish free exchange of "small" notes for "big."

During a recent trip to Canton and Fatshan, I noted that there was no discrimination between "small" notes and "big" notes, and consequently market conditions there were far better than those existing here. This should give local authorities food for thought.

JOHN L. TING.

Sinhui, Kwangtung
July 26, 1948

Military Aid Wanted

To The Editor:

To save China is a hard problem. It is a harder problem to save China under Chiang's government. It is an almost impossible problem to save China under Chiang's government without the necessary condition of participating in World War III, as the present situation compels.

All patriotic Chinese and all true friends of China must admit that China can only be saved by herself. Yet the economic crisis calls for American help. Will America help China without "conditions?" Maybe yes; but more probably China will be aided by Uncle Sam only on the condition that she supports her benefactor when and if the next war breaks out.

China, the oldest civilized country in the world, whose people are the most peace-loving of all, should be saved. But how? Such a big, weak and disorderly country as China can never be saved in one stroke. Dollars and materials are coming from America to attempt the job. But, as has been pointed out so often, a far greater quantity of aid has already come to China in the

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—JOHN BUNYAN.

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form of UNRRA and various foreign loans which, though it may have helped a bit, did little to put the country really on its feet.

First, the Civil War must be won. Only after the fighting has ceased can any aid for rehabilitation be effective. In accomplishing a victory over the totalitarian Communists, US military aid, more than "competent technical advice in the use of weapons supplied," is needed. We must solve military problems (the Civil War) by military means. We do not ask for foreign military help only for China's sake; we appeal to the US for that help for her own sake, for the sake of democracy and for the sake of civilization itself.

IMPARTIAL.

Chingkiang, Kiangsu
June 22, 1948

Shensi "New Look"

To The Editor:

With General Tung Tzo presiding in Shensi instead of Mr. Tzu Shoa-chu, everyone senses that Shensi political circles will, in the near future, have a "new look," as it is customary that "one official have his own personnel." Indeed, since the news of Tzu's resignation spread, a number of Shensi government higher-ups resigned. Those of Tzu's henchmen who have remained in office live in constant fear of losing their rice bowls. While non-Shensi men were expelled, rivalry between them and Shensi-born-men began. In a telegram to Premier Wong, the Shennanese (south Shensi people) made an appeal to take part in the so-called New Government, viz., Tung-headed Government. The Shennanese had been out of the government for a long time. As General Tung, who is a native of Sian, stepped into his new post, the Sianese obtained more seats in the government than those unfortunate enough to be born in other parts of Shensi. This is why the Shennanese despatched their stentorian telegram to Nanking. Such being the case, we wonder whether the new government (the majority of whose members are natives of Shensi) can work political miracles while their time is largely spent on "personnel problems."

KING-SHENG CHIA.

Sian, Shensi
July 24, 1948

Wallace On China

To The Editor:

As an American university student, who occasionally sees copies of your magazine, I would like to inform your readers, particularly the Chinese readers, of what some segments of the Progressive movement in America have been saying and doing with regard to China.

Henry Wallace, who is destined to wage a losing battle in the November Presidential elections, issued a formal statement through the National Wallace for President Committee in New York in February which, I believe, should show where he stands on China. The statement was:

"President Truman's request for an additional $570 million to go to the corrupt Chiang Kai-shek government in China is one more phase of our financial and military intervention there. This intervention has already cost the American people $4 billion and the friendship of several hundred million Chinese people—victims of a civil war we prolong by our support for the dictator Chiang.

"The proposed new grant for China will be administered by the agency appointed to administer the Marshall Plan in Europe, according to Mr. Truman. This, then, is the Marshall Plan extended to Asia. Once and for all the Marshall Plan is stripped of any distinction from the Truman Doctrine....

"The situation in China is tragic proof of the inevitable failure of our present foreign policy, of which the Marshall Plan is a part. Sending money and military supplies to bolster reactionary governments against the will of their people serves the cause of reaction and war, not democracy and peace.

"The President's contention that the new $570 million represents purely civilian economic aid is exposed by his own words that it will 'permit the Chinese government to devote its limited dollar resources to the most urgent of its other needs.' The *New York Times* has reported from Nanking that the Chiang government intends to use these dollars for war purchases....

"I do not believe that the American people want any part of this scheme. I do not believe they would have approved the direct military intervention in China's civil war in which we have already engaged. But they were never given the choice to pass on most of the following instances of our military intervention.

(1) "A US Military Assistance Group of more than 1,000 American Army officers now training 10 new Kuomintang divisions.

(2) "U.S. Bases are now being secretly erected in Tsingtao and Formosa.

(3) "The Seventh Fleet and other units cruise constantly in Chinese waters. Involved are over 25,000 of our armed services.

(4) "A total of 271 U.S. Naval vessels and a large quantity of aircraft and other war supplies have been turned over to Chiang Kai-shek for civil war.

"There is indeed, one group which may stand to benefit from this new grant Truman proposes for China. That is the group of Wall Street interests who seek to penetrate and control large areas of the Chinese economy and to profit from cheap Asiatic labor. The American press has reported a deal of this kind between the Chiang government, the US Export Import Bank and the Reynolds Metal Company for aluminum plants in Chinese Formosa.

"....Loy M. Henderson, State Department Director of Near Eastern Affairs, has already threatened that American combat troops will enter Greece, where initial intervention was also disguised as 'economic.' The some development is in the cards for China....

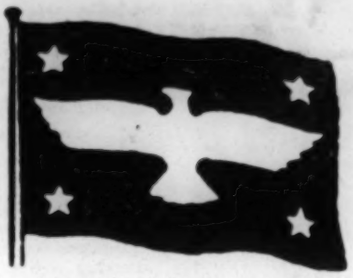
"In the light of these facts, I urge Congress and the people to reject the war-provoking China program presented by the President, which contradicts his own previous solemn statements that aid would go to China only 'as she moves toward peace and unity' and 'will not extend to US military intervention to influence the course of any Chinese civil strife.'

"I urge instead all possible aid to the Chinese people through the United Nations, such aid to be given once peace is established so that reconstruction is possible. The first step toward this result must be the withdrawal of all financial and military intervention in China's internal political fights."

Another occurrence of significance toward China took place at Columbia University early in the spring semester when 40 students carrying poster photographs of the bodies of Chinese student leaders killed by the Chinese police picketed a lecture by Lin Yutang.

The students protested Lin Yutang's support of the Government and they pointed out that Columbia University's sponsorship of lectures by Chinese government officials constituted straight propaganda to win popular support for Chiang and American intervention in China.

A leaflet was distributed asking Lin, self-styled spokesman for Chinese culture, why he had not protested the murder of eminent Chinese scholars Wen I-to and Li King-po in 1946, or the expulsion of nearly 500 professors from universities last year or the arrests and



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killings of Chinese students.

The pamphlet pointed out that all this coincided with the Administration's demand for money and munitions for Nanking, and for universal military training for American youth. It asked the students to protest both American aid to Nanking and conscription of Americans.

B. NORMAN.

June 15, 1948
New York City

Parting Shot

To The Editor:

I am sorry to say that I cannot continue my subscription to the *Review* owing to the increased rates. For the past half year, I have read every issue of the magazine. Now, as a token of departure, I would like to express my opinion of it.

I have always felt that your attitude toward current problems in China and the rest of the world, is unsatisfactory in that it is somewhat contradictory. For example, your editorial, "Anti-US Demonstration," was in slight contradiction to a previous editorial, "Watch the Japs," in which you gave us much information on the resurrection of Japanese imperialism under US sponsorship. You also advised us to pay particular attention to it. Thus, it strikes me as rather curious me that you should say the recent movement of Chinese students in opposition to the US building up Japan," has "overplayed the American move toward restoring Japan's industrial setup." I don't know which direction you want your readers to follow. I am all the more "confused" after having read the article.

However, I want to express my gratitude to you in that I have acquired through your magazine, much information about world affairs and also valuable knowledge of the language. Good-bye.

YEN PAO-YU.

Peiping
July 6, 1948

Professors Protest

To The Editor:

The following is an open letter to Ding Wen Yuen from a group of professors of National Tung Chi University:

President Ding:

It is difficult for us to understand certain measures of your administration which have been promulgated since you recently took office as president of this university. We are afraid that Tung Chi University will be brought to ruin by you if the situation is allowed to continue, especially since at the moment the nation is in the throes of a grave emergency and higher education should be promoted in order to attain progress and stabilization. Are you to be tolerated in your muddling-through methods? Feeling that the situation is unbearable, we raise the following questions for your prompt and open answer.

(1) At your inauguration last year, you pledged that you, realizing the difficult times in which we were working, would cooperate thoroughly by considering "stabilization" and "construction" as principles which must be adhered to in rebuilding the glory of Tung Chi University. In the year that has elapsed, professors have been fired without just cause. The site of the university has been changed, wasting public money and jeopardizing class-room efficiency. In fact, the reopening of the classes was delayed several months because of this move. An order from you, promulgated at dawn, is always subject to change by dusk. All teachers and students are at a loss to know what to do. Since your inauguration nothing has been "constructed" and there has never been a peaceful day in this institution. Your actions have belied your promises.

(2) You have told us high-sounding stories about abiding by law and duty, but don't you realize how important is the role of a university president during a period of emergency? How the president should set an example of courage, initiative and efficiency? Since your inauguration you have seldom been in your office. You have either confined yourself to your bed-chamber, leaving it only to wander about in the serene recesses of West Lake, or you have taken up your abode in the hospital. While the student strike was reaching its height last year, you were absent from office for a month, awaiting developments while sitting tight well away from the trouble which put all the responsibility on us, the professors. How can the head of any institution discharge his duties without showing some sense of responsibility? If you really are in poor health, why don't you retire as soon as possible?

(3) A university president should make himself an example to the whole body of teachers and students. It is said that during the National Assembly elections you counterfeited some 80 seals of teachers who had already left the university and gave these votes to the government. What was behind this action we fail to see!

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(4) Since your arrival at this university, all financial accounts are kept secret, at the expense of the public, and the welfare of the university is disregarded. For instance, why hasn't the Sun Sui Company settled with the university yet? Why has there not yet been a permanent site selected for the university? Why are all building contractors engaged on a basis of individual bids, instead of settling on a reasonable lump price by having a group of them put in competing bids? The price of the construction work that is done here is always several times higher than the market price for similar work. The university hospital on Tung Foo Road takes in considerable revenue each month, of which seven percent is supposed to be appropriated for the living allowances of the higher-ranking functionaries of this university. But where has this money gone?

(5) In times of social disturbance, institutions of higher learning ought to seek stability. Protection provisions for teachers can be found in law, but *sine causa* teachers have been fired, many of whom have taught in the university for more than 10 years, and the list includes some who have played prominent roles in the university's development. Their dismissal has caused great astonishment, and has evoked the suspicion of the public. What do you mean by such action?

(6) As educators, we lay stress on spiritual values. To witness a university president resorting to humiliation tactics and threats is a rare thing. Even those whose contracts have been renewed have received warning letters which, absurdly worded, slander their reputations. Some others have been fired without notice. Since you have ill-treated us in such a heartless manner, you should reflect for a few moments on these questions: Where did you obtain your apartment? By what means did you get your doctor's diploma? Do your qualifications meet the standards set by the Ministry of Education? Do you have the confidence of the public?

As professors long in its service, we love the glorious tradition of this university. We feel it our duty to our university and to the public to ask you to explain and answer honestly all the above questions, one by one.

Liu Yein Neiu
Eugene Hwo
Chang Sheong Shen
Jiang Hung
Hu Chi Yuen
Gwor Hwai Chien
Tarng Jip
Yek Lu Kian
Pai Chin Yek
Chin Chi Liu
Yeong Po Liu
Jaw King Chik
& others.

Shanghai
August 3, 1948

Disagreement

To The Editor:

I see where you finally got around to reviewing General Joseph Stilwell's published papers. I was astounded that you chose as a reviewer one whose view of Stilwell was biased.

The review is cleverly written, but the attitude of patting Stilwell on the head as if he were a small boy is rather obvious and unwarranted. In order to make such a gesture you have to be bigger then the person you are patting and no one in present day China could do that except from atop a ladder.

Despite Allman's casual aside that Stilwell was incorrect in his analysis of how to fight the war in China, the facts in Stilwell's papers prove that Stilwell knew the fight that was taking place here and how it could best be fought. All the planes in the Far East could not have stopped the Japanese drive that knocked out most of Chennault's major air bases, but well-trained Chinese troops could have.

However, there is something even more important then this post mortem backbiting and bickering of what was what in China. It is what will be. It is a fact that the American and world public never knew what was really taking place here during the war. They don't very well know what is taking place here now. It is in this light that we must review Stilwell's book.

In the earlier phase, there were people in both the Chinese Government and the American Government who used every device to weaken the Chinese effort against the Japanese. It is those same people and factions which are still at it, hiding the true facts, deceiving and hoping for a third world war in which to rescue their power and interests. These people aimed at civil war in China before. They got it. Now they are working to undermine the approaching victory of the Chinese people over feudalism and imperialism.

Read from this point of view, Stilwell emerges from his pungent notes as a tough and practical man who was fired because he wouldn't compromise, and thus lost his battle. What also emerges is that Stilwell knew China. While he was short on understanding political progress and economic structure, he did have courage, a great simplicity and foresight for his particular mission. To deny him this is a distortion of history.

J. W. G.

Shanghai
August 9, 1948

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Travel Permits

WE would have ignored the current controversy over inland travel permits for foreigners, having had so much to say about it in the past when it was introduced, discontinued, introduced, discontinued, etc., except for the fact that the US Embassy has now seen fit to file a formal protest over the matter with the Chinese Ministry of Foreign Affairs. The Ministry's answer, or at least the only part of it quoted in the local press, was very instructive and reminded us of some of the remarks attributed to various Chinese officials during the days when Chinese and foreigners were first making contact in Canton.

Foreigners, especially Americans and Englishmen, chafe at all seemingly unnecessary restrictions upon their freedom of movement. This is natural since they come from countries where the individual enjoys a very large measure of personal liberty in many ways, both physical and spiritual.

Ever since the treaties abolishing extraterritoriality were signed, the Government has seen fit to attempt to hedge foreigners about with all variety of regulations restricting their movements within the country. One cannot but think sometimes that Nanking's ultimate aim is gradually to restrict all foreigners to a few "treaty ports," and then perhaps to certain sections of those cities and, finally, to close the country to them.

Immediately following the abolition of "extrality," Chungking issued a regulation that foreigners, even friendly nationals and those engaged in the common war effort, must have visas for each province they wished to visit. The regulation was drawn up in such fashion that only three provinces could be visited at a time and the visas were valid for only six months. If strictly adhered to, this regulation would have had the effect of preventing much travel during the war by foreigners, especially those wishing to go from, say, Chungking to Foochow by plane, then a trip of several days, since it involved crossing more than three provinces. The traveller would have had to proceed to Kweilin, wait six months and then get a new set of visas for the next three provinces. The result, of course, was that like so many other regulations, it was generally ignored.

Following VJ Day, a regulation requiring all foreigners to acquire inland travel permits, exit visas, etc. was passed. This regulation was carped against by all foreigners and many Chinese who thought it silly to waste time and money on such trivial matters when there were more important things, such as fighting the Civil War, to be done. One instance we heard of involved a local foreigner who drove to Soochow one Sunday morning, had lunch and started back to Shanghai in the afternoon. He was halted and denied permission to leave town until he procured an exit permit.

Eventually it was pointed out to Nanking that China either had, or was in the process of signing, treaties of friendship and commerce with various foreign powers which pledged this country to afford so far as possible equal privileges, courtesies and facilities to foreigners residing in China as these foreigners' respective countries granted Chinese living abroad. This reasoning apparently prevailed and exit permits and inland travel visas for most foreigners were abolished. However, it now seems that after much backing and filling, the travel permit is back again, this time to stay if we can believe official statements made recently.

Now in the case of an American, this travel permit requirement is a clear breach of treaty and there is no way of getting around that. China undertakes to treat Americans visiting or residing in China in the same fashion that America treats Chinese residing in the United States. Since inland travel permits are not required in America, they should not be required in China, at least not of Americans.

One excuse offered by Shanghai officialdom is that these permits are for the protection of the foreigner. We fail to see how any person, official or otherwise, could arrive at such a conclusion, especially since it has recently been reported that a foreigner was nearly kidnapped in broad daylight on the Bund in Shanghai! Seriously, what protection does a piece of paper afford? Another excuse is that there may be some foreigners, Americans included, of which the Chinese Government has suspicions of one kind and another and wishes to prevent their traveling about. The answer to that is simple: Why give them visas and permit them to come to China at all? This Government is perfectly capable of keeping criminals or other undesirable foreign elements at arms length by not allowing them to enter the country. Presumably every foreigner granted a visa is considered more or less welcome and harmless.

Following the US Embassy's protest to the Waichiaopu, in which it was pointed out that the travel permit regulation was a violation of the

treaty between China and America, a Government spokesman was reported in the press to have replied, "(It is a) general regulation applying to all foreigners concerned and (has) been in force for some time." While this is not an answer, the inexplicable logic employed by the spokesman is baffling, unless one perhaps cares to read a bit of H. B. Morse or some other chronicler of China's early relations with the West. The spokesman sounds strangely like some of the old Mandarin Viceroys who blandly explained inconsistencies, discrimination, and other such matters away with statements that China did not consider herself bound by treaties of equality between nations since it was evident—at least to the viceroy—that China was the center of the universe, the rest of which was inhabited by barbarians, whose culture was of such a low level that they merited no notice or concern from the court in Peiping.

Conditions have changed since the days when China's imperial court drew tribute from half of Asia and in truth was the cultural and industrial center of the East and was the superior, in many ways, of the West. International relations today are in theory at least maintained upon the basis of equality between sovereign states, which means that China can no longer impose all kinds of foolish restrictions and annoyances upon foreigners in this country and then howl with indignation when some country abroad, like the Philippines or Siam, tries a little of the same medicine on Overseas Chinese.

China has to have relations with foreign countries and they must be maintained on a basis of fairness, equality and mutual respect.

US Spy Scare

AT the risk of boring our readers with an almost weekly editorial on the US Congressional scene, we will again discuss the latest antics of America's Republican-controlled Congress. During the past week the House committee known as the Committee on Un-American Affairs, has devoted its meetings to sensational charges to the effect that several present and former Government employees are Communist agents, or if not actual agents, have been consorting with Russia's agents and giving the latter vital and secret information for transmission to Moscow.

In order to understand the present situation thoroughly it is necessary to go into the background of the present Washington hearings. About a year ago the US Government, presumably through the efforts of the Federal Bureau of Investigation or some similar Federal agency, came into contact with a woman who gives her name as Elizabeth Bentley, and who claims to be a former Communist agent in America. Apparently Miss Bentley became convinced of the error of her ways some time ago and since has been working with various US law enforcement agencies, giving them the benefit of her knowledge of the Kremlin's plans for espionage and revolution in the United States.

In addition to Miss Bentley, US investigators have been using several other former confessed Communists for obtaining information including Louis Budenz, a former Communist newspaperman who quit the "party" in 1945 and embraced the Catholic faith, and Whittaker Chambers, a senior editor of *Time Magazine*. With the oral testimony of these three people, the Un-American Affairs Committee has been having a field day, interviewing them at length and then issuing statements to the press condemning the people accused by these former Reds as dangerous, and promising more "sensational" revelations for the next day. Committee members have been making all sorts of wild statements, charging the administration with trying to cover up a "scandal" and with interfering with the Committee's work. What's more, Committee members have announced that they expect wholesale Grand Jury indictments and trials to follow these hearings.

The Government presumably has known all about these three witnesses for a good long time and quietly has been investigating them and their accusations. Budenz was in the news at the time he joined the Catholic Church and from time to time has made statements about the danger of Communist activities in America. Therefore, his testimony is not new and it is unlikely that he has obtained any really new information since he left American Communist Party councils in 1945. Chambers, who says he quit the Reds in 1937, obviously has had a good 10 years to speak his piece. It is also doubtful if he knows much more now than he did in 1937. Miss Bentley, we understand, has been pouring it all out to a New York Grand Jury for the past 12 months. Is it not strange that the Un-American Affairs Committee should suddenly stumble upon three "vital" witnesses, at least one of whom has been available for more than 10 years?

The New York Grand Jury, which has had the benefit of Miss Bentley's testimony and which presumably has been mulling over what she and a lot of other witnesses have had to say, recently returned indictments against 12 top Communist Party leaders in America, all of whom we gather are openly avowed Communists. However, one press agency dispatch from Washington, reported that "the New York Grand Jury has investigated all matters under inquiry but voted to indict only 12 leaders of the American Communist Party." In other words the Grand Jury failed to find enough evidence in Miss Bentley's charges against some 30 employees or former employees of the Government to warrant indictment for trial.

At this point it might be well to explain a bit about how the American legal system works in such matters. When the US Department of Justice collects evidence of subversive activity against anyone, Government lawyers go before a grand jury picked of ordinary US citizens, present their evidence and ask for an indictment. If the grand jury feels that there is enough evid-

ence to indicate a reasonable suspicion that the accused may be guilty, it votes for an indictment. When the indictment is received, the Government attorneys then go to a regular US district court and ask that the accused be committed for trial. If the federal judge considers the evidence sufficient, he will issue warrants for the suspect's arrest and order him to stand public trial. If the defendant should be convicted, he has the opportunity of appealing the verdict to a US circuit court of appeals and if the original conviction is upheld, he may file a final appeal with the US Supreme Court.

Thus, it can be seen that the legal system has been designed to give the accused assurance of a fair trial and reasonable safety from hasty or arbitrary action upon the part of the law enforcement agencies. During this entire procedure, the defendant usually may keep his personal freedom on bond.

Since the inauguration of the Un-American Affairs Committee several years ago under the original chairmanship of Martin Dies, it has had a very poor record of convictions. Few of the suspects it has exposed and smeared with "evidence" similar in nature to that at present being given by Miss Bentley and her former fellow Communists has been sufficient to bring about even a Grand Jury indictment.

Congressional investigation committees, such as the old Truman Committee in the Senate, have usually done good jobs, exposing instances of law violations, corruption, etc. which needed to be called to the attention of the law enforcement officers. However, from what we have been able to observe, the Un-American Affairs Committee has largely been a political weapon since its inception.

It strikes us as rather strange that this Committee, run by a group of old line Republicans, should pick the present moment to kick up a howl about alleged Communist spies in the Government. While it may well be a natural coincidence that the hearings are being held at this time, the extravagent, headline-grabbing tactics of the Committee are certainly going to take the general public's attention away from the fact that Congress has failed to accomplish what Truman called it back into session to do.

Prior to the adjournment of the regular session of Congress, Truman asked for several urgent pieces of legislation, including cheap housing for veterans, inflation control measures, civil rights guarantees, etc. The Republican-controlled Congress failed to enact any of this legislation, at least in a form which would accomplish any good. The Republican National Convention, meeting in Philadelphia shortly after the adjournment of Congress, produced a platform endorsing the immediate enactment of virtually all of Truman"s program, terming most of it of urgent importance. Truman then called Congress back to Washington for a special session, telling them that now was the time to pass legislation upon which both the Democrats and Republicans seemed agreed. However, Congress has again adjourned without enacting anything except a few small, pitifully inadequate versions of this program. The Republicans must answer to one of two charges before the American electorate: Either they wrote their platform in bad faith and it may be regarded in much the same light as Dewey's recent pronouncements upon China, a place on the map which he has just "discovered," or that while they wrote their platform in good faith, they are selfishly forcing the country to suffer until next January because they hope to sweep the elections and wish a Republican Administration to get credit for needed, forward-looking social legislation.

No matter which way the Republicans answer, they seem, in our opinion, to have discredited themselves in the public view and have laid their party open to charges of shameful playing of politics during one of the country's most critical periods.

The Republicans are on the spot before the American electorate and we can think of no better way of attempting to get off than to begin raising a great rumpus about Russian spys being harbored by the Democratic Administration, whether true or not. A reasonable observer probably will not be hoodwinked by what Truman has called a "red herring," but with the anti-Red feeling running high in America and the fear of war with Russia on everyone's mind, the thoughts of a lot of people may be diverted from the menagerie on Capital Hill.

If one wishes to lean over backwards and give the Republicans and their Un-American Affairs Committee the greatest possible benefit of the doubt, there is still not much that can be said in their behalf. One possible point in the Committee's favor, has already been disproved by Truman. When the Department of Justice asks a Grand Jury for an indictment it usually has so much evidence that the Jury almost automatically does so. It might have been possible for the Democratic Administration to have avoided asking the Grand Jury for an indictment of the 30 people named by Elizabeth Bentley when it presented evidence against the 12 top Communist Party Leaders. However, Truman has said that all the evidence produced by the Un-American Affairs Committee was presented to the New York Grand Jury and that the Jury did not see fit to return indictments against any of the 30. That to us, and we imagine to any reasonable man, would be sufficient evidence of the flimsiness of the charges by Bentley, Budenz, Chambers and company.

"UN-AMERICAN PROBE": ONE VIEW

The cartoonist here depicts one of the most flagrant shortcomings of the "Un-American Committee" procedure which does not afford the person on "trial" the benefit of adequate defense.

Another Flood Season

THIS year's flood season in China seems by all accounts to be making a record of some sort. Earlier reports limited it to areas drained by the Yangtze, but more recent reports have come in of serious flooding of the Yellow River. Virtually every year we have read of disastrous floods in some part of China. If it isn't one river, it's another. Last summer, about this time, extensive areas in South China were under water. We personally saw a small part of the flooded section from the train while travelling between Hongkong and Canton and, although it wasn't considered a major disaster as these things go in China, it certainly was the largest flood we had ever seen.

While China certainly has no monopoly on floods, it seems that they are an almost continuous instrument of destruction in this country. We are told that in days past, when the Empire was in good order, huge public works programs designed to prevent or minimize floods, increase land under cultivation and add to the country's inland waterways were undertaken. In those days the Chinese people, working with even more primitive methods and tools than today, were able to avert flood disasters for years on end. Then, inevitably, as each dynasty approached its last days, public works, along with other things, were allowed to go untended, and huge areas were ravaged again until a new government was installed.

We recently have been reading quite a bit of literature put out by the Food and Agriculture Organization of the UN and have come across several articles dealing with water problems. One in particular, which discussed in considerable detail some of the combination irrigation, flood control, reforestation and hydroelectric projects in the US, impressed upon us the immensity of a first class project covering all necessary aspects. Our first reaction was that what China needed was something like the Tennesee Valley Authority, which was set up to take care of the flood, conservation and power needs of an entire area. This, we thought, made a lot more sense than the usual remedy applied here of building the dykes a bit thicker and higher each year. However, the more we thought about the matter, we wondered if such a sweeping setup could ever be organized in China, where it would be necessary to cut across provincial boundaries and do many things which would be harmful to the few in the interest of the many. Further, the cost would be staggering.

Even though a system of regional "authorities" to control the various major rivers of China seems beyond the abilities of the country at present, there appears, though, to be no other answer, providing one is seriously concerned about the yearly flooding of various parts of the country. If the total losses sustained during these floods, including both life and property, could be added up for a few years, we imagine that the figure would look staggering beside the cost of a few well placed dams and other installations.

25 Years Ago In *The Weekly Review*

No Fixed Value

August 11, 1923.

"Now that the commercial treaties between China and many of the Western nations are being revised with the view of facilitating commercial intercourse, it will be necessary for China to also revise her monetary system. There can be no confidence in business enterprises when there is no fixed standard of value for the money in circulation, and the closer relations now being cultivated by the Chinese with Western merchants have at last awakened the Central Government of China to the important fact. An edict has recently been issued appointing commissioners to at once consider the ways and means of providing China with a uniform currency system, and this is a move in the direction of establishing a sound principle of business, for when this principle is made effective, it will point the way for the necessity of removing other barriers and hinderances to the proper development of the internal trade of the Empire.

* * *

American Court

We are sure that the present officials of the United States Court for China will welcome the support of the American communities in China in effecting improvements in the law creating the court and under which it is forced to operate. When the original court bill was passed by Congress 17 years ago, the American community in China numbered but a few hundred persons, and America's commercial interests were represented by only two or three firms. The number of Americans now residing in China has grown to possibly 10,000 and America is rapidly approaching first place in the foreign commerce of the country. It is vital that all Americans work together to the end that our governmental institutions represented in this part of the world keep pace with the growth of our commerce and other interests.

10 Years Ago In *The China Weekly Review*

Obligation To Assist

August 13, 1938.

General Chiang Kai-shek issued two messages on the eve of the first anniversary of the Lukouchiao Incident. In a message addressed to the Japanese people, Chiang said: "Unless the Japanese people rise and stop the madness of their militarists, there will be no end to the present bloodshed which, with animosity between the two nations deepening daily, may last for decades, and even for centuries."..... In a statement to friendly foreign Powers, Gen. Chiang expressed China's gratitude for assistance given and also reminded the Powers of their obligations to assist China under the Nine-Power Treaty and other international agreements. Gen. Chiang declared that "peace is indivisible and isolation impracticable."

* * *

That Railway Again!

In view of the present military situation, the Chinese Government has decided to build the railway connecting Szechuan and Yunnan provinces as early as possible. Surveyors have already been sent to survey the entire line of 400 kilometers. According to present estimates, the cost of construction of the line will be $80,000,000. The Ministry of Railways has appropriated already $10,000,000 while the Szechuan and Yunnan Provincial Governments have appropriated $500,000 each for the building of the railway. A loan has also been concluded with a French company to supply railway building materials. It is expected that the survey work will be completed in the latter part of this year and actual construction work will be started before the end of 1938.

SINO-AMERICAN COMMISSION ON RURAL RECONSTRUCTION

(TEXT OF AGREEMENT)

AN exchange of notes providing for the establishment of a Sino-American Joint Commission on Rural Reconstruction took place at the Ministry of Foreign Affairs at 11:00 a.m. on August 5, 1948. US Ambassador to China, J. Leighton Stuart, signed a note on behalf of the Government of the United States proposing the establishment of the Commission in accordance with the China Aid Act of 1948 and the Economic Aid Agreement between the two countries signed at Nanking on July 3, 1948. In his statement issued at the time of signing, Ambassador Stuart said that the Commission was being established in recognition of "the importance of reconstruction in the rural areas to the Chinese people as a whole," and of the fact that "such reconstruction should have as its purpose the improvement of economic, social and cultural conditions in those areas." He also stated that the findings and recommendations of the joint China-US Agricultural Mission in 1946 would be used in large part as a basis for the work of the Commission. In his note of response, Dr. Wang Shih-chieh, Minister of Foreign Affairs of China, accepted Ambassador Stuart's proposals on behalf of the Chinese Government.

I. Note from Ambassador Stuart to the Foreign Affairs Minister:

Excellency:

I have the honor to refer to Section 407 of the China Aid Act of 1948 enacted by the Government of the United States of America (hereinafter referred to as the Act), which provides, among other things, for the conclusion of an agreement between China and the United States of America establishing a Joint Commission on Rural Reconstruction in China. In pursuance of the general principles laid down in the Act, and in particular Section 407 thereof, I have the honor to bring forward the following proposals regarding the organization of the Joint Commission and related matters:

(1) There shall be established a Joint Commission on Rural Reconstruction in China (hereinafter referred to as the Commission), to be composed of two citizens of the United States of America appointed by the President of the United States of America and three citizens of the Republic of China to be appointed by the President of China. The Commission shall elect one of the Chinese members as Chairman.

(2) The functions and authority of the Commission shall, subject to the provisions of the abovementioned Section of the Act, be as follows:

(a) To formulate and carry out, through appropriate Chinese Government agencies and international or private agencies in China a coordinated program for reconstruction in rural areas of China (hereinafter referred to as the Program);

(b) To conclude arrangements with the agencies referred to in the preceding paragraph establishing a basis for their cooperation;

(c) To recommend to the Governments of the United States of America and of China, within the limits prescribed by the Act, the allocation of funds and other assistance to the Program, and to recommend to the Government of China the allocation of such other funds and assistance as are deemed essential to the success of the Program;

(d) To establish standards of performance for implementation of the Program, including the qualifications, type and number of personnel to be used by cooperating agencies in the Program, and to maintain a constant supervision of all phases of the Program, with authority to recommend changes in or stoppage of any phase of the Program;

(e) To appoint such executive officers and administrative staff as the Commission deems necessary to carry out the Program, it being understood that the chief executive officer shall be a citizen of China. Salaries, expenses of travel and other expenses incident to the administrative functions of the Commission itself shall be paid from funds made available under Section 407 (b) of the Act.

(3) In its Program, the Commission may include the following types of activity to be carried out in agreement with the agencies referred to in paragraph (2) (a):

(a) A coordinated extension-type program in agriculture, home demonstration, health and education, for initiation in a selected group of *hsien* in several provinces to include a limited number of subsidiary projects suited to conditions in the areas where the program is developed, in such fields as agricultural production, marketing, credit, irrigation, home and community industries, nutrition, sanitation, and education of a nature which will facilitate the promotion of all projects being undertaken;

(b) Consultation with the Chinese Government concerning ways and means of progressively carrying out land reform measures;

(c) Subsidiary projects in research, training and manufacturing, to be carried out in suitable locations to provide information, personnel and materials required by the Program;

(d) Projects to put into effect over a wider area than provided for in the coordinated extension-type program specified in (a), any of the above lines of activity which can be developed soundly on a larger scale, of which examples might be the multiplication and distribution of improved seeds, the control of rinderpest of cattle, the construction of irrigation and drainage facilities, and the introduction of health and sanitation measures;

(e) Related measures, in line with the general objectives of this Program;

(f) The distribution of the assistance in this Program, on the principle of giving due attention to strengthening rural improvement in areas where selected projects can be progressively developed and where their development will contribute most effectively to the achievement of purposes for which this Program is undertaken, but that the principle of distributing aid will not be controlled by proportionate or geographical consideration per se.

(4) In respect of any decision of the Commission, the approval of the Government of China shall be obtained prior to its execution if the Commission or its Chairman, with the concurrence of the Chinese members, deems it necessary.

(5) The Commission shall publish in China and transmit to the

Government of the United States of America and the Government of China, in such form and at such times as may be requested by either of the two Governments, full statements of operations, including a statement on the use of funds, supplies and services received, and will transmit to the two Governments any other matter pertinent to operations as requested by either of the two Governments. The Government of China will keep the people of China fully informed of the intended purpose and scope of the Program and of the progress achieved by the Commission in implementing the Program, including the nature and extent of the assistance furnished by the Government of the United States of America.

(6) The Government of China will upon appropriate notification of the Ambassador of the United States of America in China consider the United States members and personnel of the Commission as part of the Embassy of the United States of America in China for the purpose of enjoying the privileges and immunities accorded to that Embassy and its personnel of comparable rank. It is understood that the Ambassador of the United States of America in China in making the notification will bear in mind the desirability of restricting, so far as practicable, the number of officials for whom full diplomatic privileges and immunities would be requested. It is also understood that the detailed application of this paragraph would, when necessary, be a subject of inter-governmental discussion.

(7) All supplies imported into China for use in the Program shall be free of Customs duties, Conservancy dues and other charges imposed by the Government of China on similar supplies which are imported through regular commercial channels.

(8) The Government of the United States of America and the Government of China will consult with respect to problems incident to the interpretation, implementation and possible amendment of the terms of the agreement embodied in this exchange of notes whenever either of the two Governments considers such action appropriate.

(9) The Government of the United States of America reserves the right at any time to terminate or suspend its assistance, or any part thereof, provided under this exchange of notes. Assistance furnished by the Government of the United States of America under Section 407 of the Act and pursuant to this exchange of notes shall not be construed as an express or implied assumption by the Government of the United States of America of any responsibility for making any further contributions to carry out the purposes of Section 407 of the Act or of this exchange of notes.

(10) This note and Your Excellency's reply accepting the above proposals on behalf of the Government of China will constitute an agreement between the two Governments in the sense of Section 407 of the Act. Subject to the provisions of paragraphs (8) and (9), this exchange of notes will remain in force until June 30, 1949, or, upon the request of either Government transmitted to the other Government at least two months before June 30, 1949, until the date of termination of the Economic Aid Agreement between the two Governments concluded on July 3, 1948.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

II. Note from Dr. Wang Shih-chieh to the Ambassador:

Excellency:

I have the honor to acknowledge receipt of your note of today's date which reads as follows: (Minister Wang then repeated the full text of Ambassador Stuart's note.—Editor.)

On behalf of the Government of China, I have the honor to accept the proposals contained in the note quoted above.

In recognition of the importance of the Program as one of the essential means of achieving the objectives in which the Governments of China and of the United States of America unite in seeking under the Economic Aid Agreement between the two Governments concluded on July 3, 1948, the Government of China undertakes to afford to the execution of the Program the full weight of its support and to direct cooperating agencies of the Government of China, including the local officials concerned, to give such assistance and facilities as are essential to the success of their undertakings under the Program.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

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NEED TO END THE COLLABORATION ISSUE

CHUNG CHEN-SOO (蘇鍾城)

(Because an earlier Review article, "A Plea For Collaborators," aroused a great deal of interest, the following article was translated for the China Weekly Review from the Law Weekly of April 21 and 28 of this year by Frank Chen.)

AT the beginning of the war of resistance against Japan, the "Regulations for the Punishment of Traitors," promulgated by the Military Affairs Commission on Aug. 23, 1937, was intended to impose severe punishment upon those who collaborated with the enemy. As the enemy penetrated deeper into China and as our Government moved to the West, there was no order published for the evacuation of all civilians, although there was a call for a scorched earth policy. When the occupied area became wider and wider, it was well-nigh impossible for all the people to evacuate. During the period of enemy occupation, the acts of our people who were threatened by the enemy's power were under the control of the enemy's army. The puppet government was also a product of the enemy's military power.

After the establishment of puppet regimes the Government, on April 6, 1938, issued an order to the effect that "our nationals should not call those who work for such a regime puppets or traitors, because many of the outstanding men in the occupied area who have been forced to participate in puppet regimes, being intelligent and really loyal to our country, have the will to resist in their hearts." Therefore, those who were connected with puppet regimes in the occupied area, with the exception of a few who definitely had the idea of betraying their own country, no matter what their position, were threatened by the force of the enemy or selected by the local people to participate. Besides, most of them were compelled to work for a living in order to protect their families and themselves and also maintain local peace and order. Thus, while they were working in puppet governments, their hearts were with our own Government. All these painful thoughts of theirs have long been understood by our Government authorities.

Movement Started

Immediately after VJ Day, a movement to purge collaborators began. The "Regulations For The Punishment Of Traitors" were revised in December, 1945 by the Legislative Yuan to include special provisions punishing those who participated in puppet regimes. The Legislative Yuan also enacted in November, 1945, "Regulations Dealing With The Traitors' Cases," which classified the persons to be prosecuted, depending on whether they committed wrongful acts or not. In the Revised Regulations For The Punishment Of Traitors," there was added a provision for the commutation of sentences in minor cases. It seems, therefore, that a sense of sympathy existed toward collaborators in this purge movement. However, during the first days of victory, popular excitement was great, the political situation was somewhat unsettled and public opinion was rather confused. When the two sets of Regulations already mentioned were made, no careful consideration was given by the Legislative Yuan. As a result, they are in conflict with the original lenient policy of the Government.

Subsequently, in dealing with collaboration cases, the judicial authorities were not altogether fair and just. For instance, what constitutes an act beneficial to the enemy or to the puppet government? What constitutes an act not beneficial to our country and our people? The provisions in the revised "Regulations For The Punishment Of Traitors" are vague on these points. The question whether the act of a collaborator in assisting the war of resistance or his "acts benefitting our people" should be taken as evidence in his favor or not has entirely been left to the discretion of the judicial authorities. Moreover, prosecution against collaborators has been so far extended that many innocent people have been involved.

When I read the proposal submitted by Mr. Chang Shih-chao (章士釗) advocating the enlargement of the Amnesty proclamation of 1947 to have collaborators pardoned, and the recommendation made by four members of the Executive Yuan including Mr. Hsu Shih-ying (許世英), also demanding an amnesty for collaborators, I first learned that during the last two years collaboration cases given judgments by both the judicial courts and the military courts amounted to as many as tens of thousands which resulted in over a thousand sentences. In addition, no matter how heavy or light the sentence, the accused's property has been confiscated invariably in every case. Once a collaborator is prosecuted, his property is sealed. Thus, his family loses its living quarters, which inflicts a penalty upon his wife and children. This is certainly the cruelest legal sanction ever recorded in modern Chinese history and this also makes the greatest number of people involved in a single crime unprecedented since the establishment of the Chinese Republic.

Of Political Nature

It seems to me that the offense of collaboration is an offense of a polilogy, it is a "chance offense," caused tical nature. According to crimino- by the turn of events and under the pressure of circumstances. It is certainly different in nature from other crimes.

In the past history of China, whenever criminal cases were improperly administered and the prisons full of convicts, an amnesty was always granted in order to give the people a fresh start in life.

Although modern students of criminal law regard a general pardon to be in conflict with the original purpose of the law, they also admit that such a pardon can be resorted to as a means of avoiding narrowness in legislation and nullifying the mistakes of judicial decisions. Especially all political offenses, including rebellions and acts of collaboration with foreign invaders, depend upon a general pardon as a political solution. It has generally been agreed among both Chinese and foreign jurists that political offenses should be eradicated by political means. Both Mr. Chang Shih-chao, and Mr. Hsu Shih-yin whose proposals have already been referred to are eminent jurists in China and each of them once served as Minister of Justice. Their proposals not only hold out prospects for beneficial political results but also touch upon certain basic political principles.

During the last World War, puppet regimes were set up not only in occupied China but also in many of the occupied areas of various countries both in Europe and in Asia. But after VE Day and VJ Day, either the non-retrospective principle of law has been adopted as regards the collaboration issue or the acts of collaboration on the part of nationals have been deemed by these countries as those for which the latter could not be held responsible. Only arch offenders have been punished. In most cases the collaboration issue has been closed in a very short time. The offenders in question are called "collaborators" and the collaborators have never been uniformly considered as "traitors." The recent proclamation of amnesty made by the Philippine Government pardoned all political and economic collaborators. Even the man who served as president of the Philippine puppet government is not excepted. This is an outstanding example.

In our own country, after a decree was issued to the effect that collaboration cases in the Northern provinces should be settled with leniency in accordance with the principle of judicial policy all Northeastern collaborators have also been ordered released on bail. The Mongolian-Border region collaborators have also been ordered by the Government to be exempted from prosecution.

Some time ago there was an interpretation by the highest judicial authorities that the revised "Regulations For The Punishment of Traitors" should not apply to the Taiwanese and there is now a circular order to the effect that no trial for a war crime can be imposed upon the Taiwanese. Therefore, the rule that political offenders of this kind should be either pardoned or exempt-

ed from prosecution has been put into practice not only in foreign countries, but also in some parts of China. Indeed it seems strange that different rules of law have been applied to the same offense within one country.

Moreover, several years have passed since the purge movement started. At present all arch offenders have been executed and in the cases of most of the remaining collaborators, no conspicuous crimes were committed. Some of the collaboration cases are still pending today and there are certainly many so-called "doubtful cases." All collaborators have either been imprisoned for several years or exiled.

To Terminate Cases

The foregoing statements are all true facts. On March 9, 1948, the National Government issued a decree, stating that the collaboration cases which have not been investigated by the procurators of the courts should be dismissed and that those which are being investigated or tried should be settled with justice and speed and on the basis of definite evidence in order to terminate all such cases. It is thus indicated that the Government authorities are fully aware of the effects of the prosecution against collaborators and also that the facts mentioned in the foregoing paragraphs have become known to all. It is understandable that the Government has attempted to terminate the pending cases of collaboration and recover popular support.

However, a greater degree of fairness and justice should be sought as one of the principles of government. First of all, it is necessary to have real justice rendered as regards criminal cases. While a law is made to suit the times, the granting of a general pardon is intended to remedy an unfortunate situation where the law has failed. The decree just mentioned is concerned with dismissing only those cases of collaboration which have not been investigated, but it has offered no remedy for those cases which have been given judgments on the basis of no definite evidence of guilt, but by partiality and prejudice. For the purpose of meting out justice and rendering help to our people, it is suggested that our entire collaboration issue should be ended in accordance with the example set by the recent Philippine proclamation of amnesty and the precedents made by our own Government for the Northeastern provinces, the Mongolian-Border region and Taiwan. The following measures are, therefore, suggested:

(1) Abolish the revised "Regulations For The Punishment Of Traitors" and the "Regulations Dealing With Collaborators' Cases," both of which still exist today. If any collaborator has committed offenses other than collaboration he should be dealt with in accordance with ordinary criminal law.

(2) Abolish the existing measures and regulations which have imposed restrictions upon collaborators in order to make use of their abilities and facilitate our reconstruction.

(3) Pardon those collaborators who are now imprisoned regardless of whether their cases have been investigated or adjudicated, or else have their sentences reduced.

(4) With the exception of that portion which has already been disposed of by the authorities or which was secured through collaboration, all properties which have been sealed should be returned to their original owners in order to protect their property rights and show sympathy toward their families.

Report From America

M. R. Werner

New York, July 25.

PRESIDENT Truman made Washington the GHQ of the partisan campaign when he called Congress back to wrangle over prices, housing and civil rights. Everyone agrees that it was smart politically, but some think he may have thrown a boomerang. Conceivably, Congress might really do something about the important problems posed. And then where would he be?

One Congressman who would rather be campaigning in his cooler district than on the floor of Congress said pointedly: "But what's he got to lose?" For it seems as certain as ever that President Truman has nothing to lose but his re-election.

Truman does have the Republicans worried. Exhortations from those Republicans who would like to see their party progress rather than vegetate are being directed at Congress every day in the newspapers in the effort to make it do something more constructive than trying to put the President on a spot, just because he put Congress on one.

Some Republicans are eager to introduce a full-course civil rights menu just to embarrass Truman and the Democratic Party more than ever by causing the rabid Southerners to filibuster and then charge that the Republicans wanted to legislate but the reactionary Democrats wouldn't let them. That might be good politics, but it wouldn't be so good for the country.

When the Republican Congress reconvenes it will be a sort of preview for the voters of what they can expect after next January. Some Congressmen who will play politics more than they demonstrate statesmanship in July may find themselves in retirement in January.

Southern Democrats

The Southern Democrats played politics dangerously in Birmingham, Alabama, and their intemperate remarks didn't go so well even with a great many Southerners. Bolting their party to preserve the sanctity of their bigotry, the states' rights, anti-Negro fourth party was stirred to jolly laughter by one of its orators when he said:

"We have no choice between the little man with the sickening smile and the little man with the little mustache."

It's a sure thing that the American people, and many Southerners among them, won't take any blustering little man wearing a Ku Klux Klan cowardly hood. Two Alabama newspapers in the Deep South called the Southern rebels what they are: "a group of obsolete, broken-down politicians."

The rebels in their intemperate hatred for civil rights declared themselves opposed to any candidate "who would establish a police state in the United States of America." The Southerners have their own police states within the United States and deprive fellow citizens of their Constitutional rights in order to keep their own economic and political privileges in the name of "white supremacy."

The revolt within the Democratic Party demonstrated that slowly, but surely, the dead hand of bigotry and reaction which the Southerners have held at the throat of that party for so many years is being forced aside. Northern liberals and northern machine politicians in coalition succeeded in getting that strong civil rights plank into the Democratic platform. They may some day succeed in forming a more progressive party, with recruits from defeated Wallaceites and disgusted Republicans.

The Democratic politicians are in the worst trouble they've encountered since 1924 when they had to run John W. Davis against an entrenched Calvin Coolidge with no possible hope of winning. Unless the Republicans had handed the election to them on a reactionary platter by running some troglodyte like Senator

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Taft or Speaker of the House Martin, Truman will be able to go window-shopping again next year without annoyance from publicity, just as Alf Landon can do today.

This campaign, which has now gone into the epithet stage, is going to be annoyingly noisy as well. The Supreme Court ruled by a five to four decision that local authorities cannot ban political sound trucks from the streets without violating our Constitutional right to free speech.

Justice Felix Frankfurter dissented and pointed out the dangers of "aural aggression" to "cherished privacy." He also pointed out that the men who were writing the Constitution "had the street outside Independence Hall covered with earth so that their deliberations might not be disturbed by passing traffic."

From now until November the bellowings of politics are going to fill the hot summer and crisp autumn air. Free speech is precious, but the right to be raucous would seem to be turning the Constitution into a juke box.

* * *

Despite the fact that the stock market crash and other preludes to our most disastrous depression started in Republican administrations, the majority of the voters seem to think that continuance of their unprecedented prosperity is safer in the hands of the Republicans than in Truman's butter fingers.

Busy America

Kiplinger's Magazine, published in Washington primarily for businessmen, states in its July issue: "Business is busier than it has ever been in peacetime. Last year industry turned out more stuff for people to buy than ever before. This year the record of last year will be topped by substantial margins." It finds our own huge domestic appetite big enough to keep business humming, but added to that appetite are demands of the Marshall Plan and our biggest peacetime military program. People on fixed incomes and low wages are feeling the price pinch hard. The book business and some luxury and amusement trades are quiescent. There are shortages of manpower, bound to be greater after the draft begins, and shortages of metals and coal. But the farmers are prospering as never before, and the farm and ranch areas are producing our *nouveaux riches* of this doom.

Kiplinger's Magazine reports the case of a Montana man who bought insurance for his four 1948 automobiles: "one for me, one for my wife, one for my daughter and one for my son." There's a land boom in the West and residences everywhere are selling like hot cakes at high prices.

A lot of people are rubbing their eyes and asking each other: "How long can it last?" Theoretically, it could last forever, but only if there is some control over prices and supplies of short materials, stimulation to housing, education and civil rights so that more and more Americans will really share the wealth.

As controls and government stimulation of social reform are apparently not the will of the people of 1948, or at least the will of their Congress, depression and social tension have not been insured against. The next President will therefore probably have to cope with the next bust, and unless he succeeds in making it less severe than our last economic explosion, he may very well be succeeded in 1952.

The main worries people here have are the high prices of everything they

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need or want.

A taxi-driver who took me through the wrong street the other day apologized and said: "Show me the guy today who hasn't something on his mind! Before I came out today I went to the store. I laid down four dollars, and I didn't get enough for breakfast for four people, including my two kids."

American Comics

American comic books, which sell about sixty million copies a month, contribute not only to juvenile delinquency but to campaign propaganda and to the anti-Communist crusade,.

A friend a while ago gave me a 48-page highly-colored example called "Is This Tomorrow?" sent him by the Reverend Louis A. Gales, of the Catholic Guild Educational Society, St. Paul, Minnesota. In its series of comic strip panels it portrays Communism taking over America. There are horrid scenes of arson, riot, fire, sabotage, floggings, murder and anti-Catholicism.

"Is This Tomorrow?" wouldn't interest the kiddies, for it is designed for their fathers, as are the comic books issued by campaign committees on the life and services of their candidates. Dr. Frederic Wertham, senior psychiatrist of New York City's Department of Hospitals, wrote an article recently in *The Saturday Review of Literature* on the dangers of the regular comic books. Entitled "The Comics.... Very Funny!"

In his work Dr. Wertham has found that the criminally dangerous juvenile delinquents go for comic books the way some of their elders take to marijuana. They are teaching the children violence on the grand scale and are so loaded with sex that they are making the kids quick candidates for Kinsey report interviews.

The people who make a lot of money publishing our 720,000,000 copies a year of comic books claim, of course, that they are very harmless, in fact, wholesome. They point to "Classics Illustrated" in which Eugene Sue's "The Mysteries of Paris" is rendered with a picture of a man tied to a chair whose eyes have been gouged out and whose blood runs down from under his bandage. The comic book publishers say that if a child misbehaves by stabbing or attempting to rape another child after an afternoon with "Killing Komics" he must have been neurotic all the time. Dr. Wertham says that reminds him of the owner of a dog which killed a rabbit. who claimed in court that the rabbit had started the fight.

Dr. Wertham passed a movie house in New York called the Ritz where two horrors, "The Son of Frankenstein" and "The Bride of Frankenstein" were being advertised with suggestive posters for the Saturday matinee for children with offers of free comic books to the first 500 children in line to get horrified. "As I stood there," Dr. Wertham writes, "I was reminded of the story of the little boy who was asked what he wanted to be when he grew up and replied enthusiastically; "I want to be a sex maniac!"

The Week's Business

WAITING for great decisions expected to be announced in Nanking, businessmen were somewhat reluctant during the week ending August 11. There were so many rumors and so many comments on the many rumors that not to do the wrong thing and to be sure to do the right thing certainly was no easy task.

While waiting for news on currency reform, bank controls, rationing systems and the nationalization of gold, businessmen in general were impressed by a decline in the Exchange Certificate rate which had gone up to CNC$6,400,000 at the beginning of the week under review but declined to CNC$5,900,000 on August 9. Generally, this was considered a good symptom. At least it was assumed that the supply in Certificates from exports was greater than the demand for import dollars. Some skeptics, on the other hand, believed that the demand was small only because no new import licences had been issued for quite some time.

Meanwhile, a market report published at the beginning of the current week claimed that prices of various commodities on the wholesale markets remained steady and even declined because sixty college students trained by the Economic Police supervised market activities. Whether the newspapers which carried that report believed what they said has been doubted by many. At any rate, the price of white rice advanced to CNC$50,000,000 per picul.

The money market was easier than during the previous week with open market interest rates fluctuating around 45 percent per month.

While numerous wholesale prices showed slight declines, retail prices, particularly of foodstuffs, realized gains and the cost of living increased remarkably. Further considerable wage increases, therefore, are expected for the middle of the month.

Reports received during the week under review, on the other hand, indicated that several firms were able to ship not only raw materials but also various kinds of manufactured goods, the prices of which, calculated at average Certificate rates, have proved favorable. It was reported that embroideries, laces and similar textile products could find markets abroad. Exports in raw materials, too, were reported to have gained during the week under review with private firms shipping directly to both American and European ports without reshipment in Hongkong.

While several exporters saw new chances, they were, nevertheless, disturbed by the many "reports," news and rumors which, during the whole week under review, circulated on the different markets. Apart from currency reform and similar things, it was also rumored that new exchange regulations in connection with the allegedly planned new currency would be issued; small wonder that under such conditions exporters, too, were cautious and reluctant, not with regard to the shipping of goods but the terms of payment.

Another disturbing factor was the shortage in cash. To obtain cash was extremely difficult and big banking institutions occasionally could hardly pay more than 50 million in banknotes to one client. On Tuesday, August 10, The Central Bank announced that the shortage in banknotes was expected to be eased through putting into circulation new Customs Gold Units notes of 250,000 and smaller ones of 50,000, i.e. equivalent to CNC$5,000.000 and CNC$1,000,000 respectively. Announcing the issuance of the new notes, a spokesman of The Central Bank also denied that no new notes had been printed because the Government had mobilized its presses for the printing of new currency. The shortage in banknotes, he said, was caused merely by high commodity prices.

In connection with the above mentioned rumors concerning currency reform and a set of new trade and finance regulations, the question of Government-owned factories was discussed again. While businessmen asked why certain plants now owned and run by the Government, i.e. enemy property, are not used for improving both the financial situation and the supply in certain products, it was said that in this respect, too, the new regulations would bring about some changes. Since similar statements were made some time ago, businessmen remained dubious.

Quotations

Stock	Aug. 4	Aug. 11
	CNC$	CNC$
Wing On Textile	12,030	15,120
Mayar Silk	485	675
Commercial Press	3,400	4,200
Wing On Co.	2,850	3,400
Ewo Cotton	—	—
Bond C	1,210,000	1,800,000

Commodity	Aug. 4	Aug. 11
	CNC$	CNC$
	(000 omitted)	
Wheat Flour	12,650	18,150
White Rice, first	39,500	50,000
Peanut Oil	107,000	165,000
Raw Silk "C"	2,350,000	3,300,000
Jap. Rayon	2,222,000	3,035,000
Cot. Yn. (42)	2,000,000	2,880,000
Cot. Yn. (20)	1,420,000	1,850,000
Koo Ban Soap	65,000	76,000

NEWS OF THE WEEK

War Of Long Duration Predicted; Sino-Japanese Trade Revival Seen

BOTH the Nationalists and the Communists this week issued long statements to review the war during the past months. In spite of their claims and counter-claims and their conflicting stories, the two statements have one point in common in that both of them stress the fact that China's civil war is going to be a long and costly affair.

The communique issued by the Ministry of National Defense, reviewing the military situation during the past six months, announced that the Government has decided to wage a long war because the campaign against the Communists in China has become an important factor in the future developments of the world.

According to the communique, the grand strategy of the Government has been to "preserve Manchuria, fortify the North, defend the Northwest and launch an active offensive against the Reds in Central and East China." The government's successful defense of Mukden and Changchun, the communique claimed, has prevented the Reds from carrying out Mao Tze-tung's plot of establishing a puppet regime in Manchuria. "These two government bastions in Manchuria are time bombs checking the advance of an international aggressor, besides absorbing half a million crack Communist troops."

The communique said Communist expansion reached its climax before the crossing of the Yellow River. Communist casualties were given as 800,000 in the past six months, "three times the Government losses."

In North China, the communique said, Communists plans to paralyze railway communications, open a free passage for Communists in Manchuria, and support offensives in north Shensi were frustrated. Four Red columns under Peng Te-huai perished in the Chin-Wei valley and insured the Northwest against the Communist menace, the communique alleged.

The Government victory in east Honan proved the soundness of the strategy of a "concerted offensive," which "eventually smashed the organic energy of the Communist International's fifth column in China."

Reviewing the fighting during the year ending June 30, 1948, the Chinese Communists claimed they have destroyed 1,520,000 Government troops, of which 953,000 were taken prisoner. However, the Communists predicted the war will drag on for years. The *United Press* quoted the Communist *New China News Agency* as saying:

"The Chinese people must be prepared for several years of continued hard struggle. At least three or four years of struggle may be required to liberate all China....Because China is almost equal to Europe in area and population and because her social development is complicated and uneven....the Chinese revolution cannot be completely victorious through one or several simple struggles. The revolution of the Chinese people can only be won step by step, the positions of the enemy can only be taken one at a time and the reactionary forces exterminated part by part."

* * *

KMT Reform

THE Kuomintang held a party caucus to discuss matters relating to a drastic overhauling of the party machinery. According to *UP*, abolition of Generalissimo Chiang Kai-shek's supreme position as Kuomintang Tsungtsai (director-general) and overthrow of the present controlling minority in the party were openly advocated. The conference received a mandate from the Generalissimo to draft a blueprint for drastic reorganization of Sun Yat-sen's revolutionary party. Most members were of the opinion that there was something decidedly wrong with the party's leadership and machinery. It was particularly pointed out that serious efforts should be made to implement Dr. Sun Yat-sen's Principle of People's Livelihood.

General Wu Te-chen, secretary-general of the party, praised the caucus as "constructive and positive in nature." Analyzing the views expressed at the caucus, he listed eight points on which there is unanimous agreement and three points on which opinions differed.

The eight points are:

1. Boost mutual trust, confidence and revolutionary spirit of party members.
2. Establish a new spirit for carrying out the party's new policies and regain the people's faith in the party.
3. The party should espouse the people's interests and implement Sun Yat-sen's principle of the people's livelihood.
4. Choose new party officials and reorganize party machinery.
5. Tighten supervision over members now serving in the government.
6. Canvass more members from labor, farming and intellectual classes.
7. Register party members' private wealth and purge disloyal, corrupt elements.
8. Reorganization of the party must be accompanied by simultaneous political, economic and military reforms.

The three points lacking unanimous agreement are:

1. Dissolution of cliques. Some members wanted the cliques dissolved but others maintained it is a good idea to retain them to serve as a basis for a multi-party system needed in democracy.
2. Should the party represent only certain classes of the people or all people? It is suggested the party should represent the farmers, laborers and revolutionary intellectuals.
3. Re-enrollment of members. Some members opposed re-enrollment, holding that members already were enrolled last year when the Youth Corps was merged into the party.

Final decision on this matter will rest with Generalissimo Chiang Kai-shek, who is said to be facing one of the toughest decisions of his career. He is known to favor, in principle, certain changes in party machinery, but he is being challenged to accept more sweeping demands which would deprive him of a great portion of power. One circle of advisers, according to press reports, is urging him to make drastic and dramatic changes in order to convince the nation that his leadership is sincerely attempting to revitalize the country's administration. However, informed sources say, the President is inclined to move gradually since he is unwilling to abandon overnight the many years of support given him by certain party leaders, notably Chen Li-fu.

* * *

What Next?

THE envoys of the United States, Britain and France held three conferences within a week with Soviet leaders in Moscow to discuss the German issue. When the first two conferences took place high hopes were entertained that the strained relations between Soviet Russia and the western Powers on the Berlin issue would calm down and the situation would improve step by step. At one time it was openly predicted that it was only a question of time until the Big Four would meet to straighten out their differences not only over Germany but over Europe as a whole.

But after the third conference on August 9, whatever optimism existed over the prospects of another Big Four meeting was tempered drastically by the fear that East and West never could agree on Germany, *UP* reported. It is said that some of the most influential officials in the governments of the Western Powers felt that way. The best they hoped for was a palliative which might prevent the situation from deteriorating to the brink of war and disaster for the whole world. Such an attitude,

it is explained, is based on the following facts:

(1) The West never will voluntarily abandon all of Germany to Russia to become another Soviet satellite.

(2) The Russians never will give up Eastern Germany, if the prospect is that a United Germany might join the West against the East.

(3) Unfortunately there is no third way for Germany except to remain divided between the East and the West.

The real struggle between the East and the West, it is stressed, is over control of all Germany. And casting aside all ideological factors, it is a fact that the Western Powers are trying just as hard to recreate a Germany that will be on their side as the Russians are trying to create a Communist Germany that will be in the Soviet camp. Germany, with its vast resources, technical skill and industrial potential, is the key to all Europe. Should she fall into the Soviet orbit, there would be little left in Europe for the West to seek. On the other hand, if Germany falls completely under the control of the West, it would be a major defeat for Russia. Complicating this always is the fact that France has an entirely different view about Germany than other members of the Western alliance. As a victim of three invasions by Germany, France wants a very weak Germany.

• • •

Reform Stressed

ROGER D. Lapham, Chief of the ECA China Mission, returned to Shanghai after making a fact-finding trip to North China and Manchuria. In his opinion, "North China isn't written off and shouldn't be considered written off." He said that he was convinced that situation in North China was not as gloomy as it had been painted. On the contrary, it was better now than it had been during the last six months, he said.

In the field of future American aid, Lapham was outspoken. While pointing out that he was not here to criticize the Chinese Government and stating that he personally was anxious to see that China got adequate aid for her own sake and for the sake of the world, he said:

"You must all realize that there is a feeling in the United States that previous aid has not been spent as usefully as it might." Reiterating that it is the "taxpayers' money" he pointed out that when the time comes for Congressional action on new aid a good record must be put forth...."We do not expect 200 percent improvement overnight," he continued. But he left no doubt that improvement was expected, and he stated emphatically that "those who have the power are expected to exercise it."

When asked if there was evidence of the Government's carrying out reforms, he replied: "There seems to be little if anything done to develop these objectives as yet."

• • •

China & Japan

A HIGH ECA source in Washington revealed that the US$275,000,000 China economic aid program can be used indirectly to help revival of trade—including trade with Japan—as well as being used directly in China. While ECA officials were quick to deny any wish to build Japan up as an industrial giant, they emphasized that it will benefit China to "harness Japanese industry in the rehabilitation of China." They claimed that outside of cotton, most commodities and industrial goods which China needs can be obtained from the Far East and sources other than the United States. The ECA quietly sent two men from its China mission to Japan to make a preliminary survey. The plan was understood to involve shipping Chinese coal, chiefly from the Kailan mines and Chinese iron to Japan. Japan in turn is expected to provide, firstly, parts for industrial installations built during the Japanese occupation; secondly, parts and equipment for the Canton-Hankow railway. Later other goods may be sent from Japan. As an example of an instance where it would be more economical to get Japanese rather than American items, ECA officials cited power installations in Taiwan, although they have not yet decided whether these installations will be rebuilt. The extent to which Japanese industry will be called into service in China's reconstruction will depend upon which Chinese projects are selected by the Stillman mission. At the same time informed sources said that ECA is seriously considering supplying Japan with coal from the Kailan mines. The iron would be drawn largely from the stockpile the Japanese left near the Yangtze.

Supporting ECA's plan, Representative Walter Judd predicted that "China will willingly resume natural trade with Japan once she is free from the fear of Communism and aggression." Judd, who strongly favors greater aid to the Chinese Government to fight Communism, said: "The Chinese are timid about the amount of money the United States is pouring into the former enemy country of Japan and they rightly feel that we are treating the aggressor better than we are treating our allies." However, he continued, "Japan cannot possibly feed her people without China. At the same time China needs cheap goods previously manufactured in quantity by Japan. The situaton is still retrievable—if we help China defeat the Communist armies, put an end to the civil strife which is destroying her economy, and assist her to stand alone without fear of aggression then she will early pick up the pre-war trade patterns with Japan ....Japan's future will stand or fall on what happens in China."

Talking about Sino-Japanese trade, it is interesting to learn that former premier Chang Chun is due for a visit to Japan. The *China Daily Tribune* made some interesting comments on this matter. "General Chang's prospective mission will include the dual objective of investigating Sino-Japanese trade prospects as well as exploration of possibilities of getting immediately suitable supplies from Japan both as part of the ECA China aid program and Japanese reparations to China. . . . The other part of General Chang's mission may prove to be more delicate in nature as it involves the question of utilization by China of the proceeds from the sales of ECA aid supplies. While it is the intention of the Chinese Government to utilize such supplies to write off the Government's budgetary deficit for the current year, concurrence on the part of the United States is considered indispensable, and as Mr. Charles Stillman is taking up this issue in Washington at this time, no conclusion can be reached until his return to China.

"Meanwhile, it had been arranged that a portion of the supplies coming to China under ECA aid will be shipped to this country from Japan. And though American concurrence as to the use of all proceeds from the aid for balancing the Chinese budget may arouse the opposition of some circles in Washington, it is generally understood that at least the portion of aid supplies to be transferred from Japan can be readily used without encountering much antagonism. General Chang Chun is thus assigned the important task of contacting the competent authorities in Japan to speed up details on the scheme."

Meanwhile, rumors were persistent in Washington that the United States Government authorities are sponsoring an alliance binding China, Japan and Korea in a common fight against Communism. Japanese political circles and government leaders are reported to be very "interested" in this proposal. In Nanking, Foreign Office sources denied knowledge about such an alliance, saying it was unlikely China would allow itself to enter into any kind of alliance with Japan before a peace treaty is signed.

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US Magazine Roundup

Foreign Affairs

THOMAS Malthus' essay on population growths, written in 1798, is analyzed in the light of later developments and present day knowledge by Rupert B. Vance in his article "Malthus and the Principle of Population," appearing in the July 1948 issue of *Foreign Affairs*.

"As thousands who have never read Malthus know," says Mr. Vance, "he held that the growth of population tends to outrun the means of subsistence, and that unless this tendency is restrained it will plunge mankind into misery and chaos. Malthus presented the problem in his famous ratios: population increases by multiplication while the food supply increases by addition. Unless new land is added, he said, a nation can expect to produce each year just about as much food as it produced the previous year: but, as America showed, population might easily double each generation. Population, he continued, is brought into line with the food supply by certain checks. The ultimate check—the blank wall against which population increase will finally run—is famine. But other checks can operate before that one is reached—poverty, malnutrition, vice and war. Delayed marriage with moral restraint is the sole means of escape from such grim sequences and any project to better society and alleviate want which weakens this impulse merely aggravates the evils it seeks to cure."

Mr. Vance goes on to show that modern demographers (students of population) have been able to go beyond, but not disprove, Malthus' theories.

"Malthusian theory is thought by demographers today to be most fruitful when examined in relation to successive stages of a world-wide demographic cycle, different phases of which are evident in various nations and regions....(These are) first, potential growth; second, transitional growth; and third, incipient decline....Approximately half the world's population is now in the stage of potential growth comparable to that of medieval Europe. With some variations the Near East, all Asia (outside Japan and the Soviet Union) and the least developed countries in Central and South America are in this pre-Malthusian stage. There is high fertility, but population is held stable by high death rates. These are the countries in which lives can be saved by medicine and sanitation only to be lost through poverty and famine in true Malthusian fashion....China may perhaps be taken as representative of the fluctuations and the essentially static demography of this stage. We know that modern sanitation and medicine have not yet reached the Chinese masses, and many scientists doubt if China's large population has for many centuries shown a permanent increase. However, since there is fluctuation around an equilibrium of high fertility and equally high mortality, China has a young population capable of large increase once the forces of death are restrained.

"In the past, Chinese population growth apparently followed the cyclical path later experienced by the western world. At the beginning of each new dynasty, peace and order were maintained, there was an excess of births over deaths, an increasing division of labor, and cultural advancement. But though China reached a high stage of civilization, she did not develop technological resources as the West did later on, and hence the population continued to increase up to the starvation point. Then came famine, pestilence and finally war and revolution, bringing a new dynasty and temporarily reducing population pressure. This Malthusian cycle has occurred four times since the second century A.D. Today the potential of China lies dormant; her population pressure is not 'felt,' that is to say, it is not rationalized as a source of policy as in Japan.

"Japan has entered the second phase of the cycle....She has explored the possibilities of large-scale industrialization and is the one country which demonstrates that the Orient, too, can reduce fertility. Not only have Japanese death rates shown a marked decline, but in the recent period birth rates have turned downward....Though Japan gave the world an example of rapid industrialization, the future trend of her population will depend on the extent to which her drastic defeat has curtailed her economic development. The demographic requisites for growth are still present in the Japanese population."

Russia, says Mr. Vance, with her great industrial growth, ideology of expansion (national policy actively encourages large families), and medical and sanitary progress, is the one country capable of exploring the full possibilities of the second, or transitional growth stage.

The countries of central and northwest Europe were the first to enter the third phase, that of incipient decline. "France, Sweden, Iceland, Austria, England and Wales face declining populations by 1970 ....Germany may well be added to this group because of war losses.... Demographically speaking, these populations are reaching maturity."

Present trends of world population become evident when viewed with the perspective of historical changes. But the author acknowledges, in regard to the future, "modern demographers are inclined to set up only tentative guideposts. Knowledge of what can happen, and what is likely to happen if 'natural' forces have their way, is a challenge to men to use their intelligence and their will to produce results more in keeping with their needs and desires....We have seen that overpopulation can set in motion certain social and economic forces which check it (such as birth control). Will the fear of underpopulation do so?....Few experts believe that there can be any 'automatic' tendency to equilibrium in population, on the side checking population decline or on the side of arresting its growth. But consciousness of possible dangers makes a great difference in the affairs of men. Perhaps that is Malthus' most important lesson."

* * *

New Republic

HENRY Wallace's column in the July 5 issue of *New Republic* deals with the "American Fiasco in China." More and more," he says, "it becomes certain that the Chinese fiasco will be the first to drive home to the American people the complete bankruptcy of our foreign policy. Too many people know what is really going on in China. The corruption of the Kuomintang cannot be hidden ....Five billion dollars in American money and arms, poured into China since 1945, have not strengthened the Chinese dollar but have weakened it.

"More strikingly than anywhere else in the world, China's experience demonstrates that those who invoke arms against the people are doomed. ....Educated Chinese, who know that Chiang's days are numbered, nevertheless fear that US foreign policy will finally result, after Chiang's fall, in America's controlling what might be called a 'Co-Misery Sphere' consisting of Japan, the port cities of China, and Dutch Indonesia. They fear that in the final showdown it would be Japan that would dominate this area rather than the US....

"I asked a Chinese professor, who knows a great deal about Chinese agriculture both in the north and the south, how much the agricultural output could be increased within ten years if Chiang's regime were replaced by a people's government. He estimated that in the north the increase might be as much as 100 percent, and in the south 40 or 50 percent, using new varieties of crops, fertilizers, improved irrigation, etc.

"We in the US could help enormously in this new program if we got on the side of the people, and were willing to help China build an industry which would match her agricultural potentialities. When the imagination of the people of the US is gripped by this we shall have taken one of the decisive first steps toward world peace."

The Review's English Lesson—XLIV

IN the following paragraphs we reproduce from the July edition of *The Progressive* part of an article dealing with the annual Labor Party Conference in England which was held this year in the northern town of Scarborough. The conference was carefully observed by political commentators as an indication of what the politically conscious masses were thinking.

We have underlined idiomatic words and expressions to which you should pay particular attention, and have translated them below.

"....The British working-class in annual conference is increasingly conscious of its responsibilities and the need to placate **middle-of-the-road** 1) opinion if it is to retain political power.

"Nearly all the resolutions backed Government policy (even on wage stabilization)—thanks to the **"block" votes** 2) of hundreds of thousands wielded by the big unions, which **swamp** 3) the thousand or two of each local Labor Party.

"The **keynote speech** 4) delivered by Herbert Morrison, urged "consolidation" by the Party, and since this was not seriously challenged, one can **take it** 5) that the program for the 1950 General Election, already in the politicians' minds, will be a modest one, emphasizing social reform rather than further large **chunks** 6) of nationalization. This is known as **"wooing the middle-classes"** 7)—whose support Labor needs in considerable quantity on Election Day.

"One function of the conference is to **make and break** 8) reputations....The man to gain most this year, and indeed, **save his political skin** 9), was "Manny" Shinwell, whose chairmanship of the conference showed great skill (and it's a conference that **takes some chairing**). 10) His indiscretions as Fuel Minister (he denied there would be a fuel crisis in 1947 until the very week the electricity was cut off) **had rocked his reputation** 11), and just before the conference opened he was in further disgrace for saying that we had not learned the technique of controlling nationalized industries yet....But this was mostly retrieved at Scarborough. His speech opening the conference was designed to conciliate every section of Labor opinion, so much so that Morrison is alleged **to have cracked** 12) that his new job as Secretary of State for War must have taught "Manny" one thing—to say **"Left, Right, Left"** 13) at the correct time...."

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US Magazine Roundup

Foreign Affairs

THOMAS Malthus' essay on population growths, written in 1798, is analyzed in the light of later developments and present day knowledge by Rupert B. Vance in his article "Malthus and the Principle of Population," appearing in the July 1948 issue of *Foreign Affairs*.

"As thousands who have never read Malthus know," says Mr. Vance, "he held that the growth of population tends to outrun the means of subsistence, and that unless this tendency is restrained it will plunge mankind into misery and chaos. Malthus presented the problem in his famous ratios: population increases by multiplication while the food supply increases by addition. Unless new land is added, he said, a nation can expect to produce each year just about as much food as it produced the previous year: but, as America showed, population might easily double each generation. Population, he continued, is brought into line with the food supply by certain checks. The ultimate check—the blank wall against which population increase will finally run—is famine. But other checks can operate before that one is reached—poverty, malnutrition, vice and war. Delayed marriage with moral restraint is the sole means of escape from such grim sequences and any project to better society and alleviate want which weakens this impulse merely aggravates the evils it seeks to cure."

Mr. Vance goes on to show that modern demographers (students of population) have been able to go beyond, but not disprove, Malthus' theories.

"Malthusian theory is thought by demographers today to be most fruitful when examined in relation to successive stages of a world-wide demographic cycle, different phases of which are evident in various nations and regions....(These are) first, potential growth; second, transitional growth; and third, incipient decline....Approximately half the world's population is now in the stage of potential growth comparable to that of medieval Europe. With some variations the Near East, all Asia (outside Japan and the Soviet Union) and the least developed countries in Central and South America are in this pre-Malthusian stage. There is high fertility, but population is held stable by high death rates. These are the countries in which lives can be saved by medicine and sanitation only to be lost through poverty and famine in true Malthusian fashion....China may perhaps be taken as representative of the fluctuations and the essentially static demography of this stage. We know that modern sanitation and medicine have not yet reached the Chinese masses, and many scientists doubt if China's large population has for many centuries shown a permanent increase. However, since there is fluctuation around an equilibrium of high fertility and equally high mortality, China has a young population capable of large increase once the forces of death are restrained.

"In the past, Chinese population growth apparently followed the cyclical path later experienced by the western world. At the beginning of each new dynasty, peace and order were maintained, there was an excess of births over deaths, an increasing division of labor, and cultural advancement. But though China reached a high stage of civilization, she did not develop technological resources as the West did later on, and hence the population continued to increase up to the starvation point. Then came famine, pestilence and finally war and revolution, bringing a new dynasty and temporarily reducing population pressure. This Malthusian cycle has occurred four times since the second century A.D. Today the potential of China lies dormant; her population pressure is not 'felt,' that is to say, it is not rationalized as a source of policy as in Japan.

"Japan has entered the second phase of the cycle....She has explored the possibilities of large-scale industrialization and is the one country which demonstrates that the Orient, too, can reduce fertility. Not only have Japanese death rates shown a marked decline, but in the recent period birth rates have turned downward....Though Japan gave the world an example of rapid industrialization, the future trend of her population will depend on the extent to which her drastic defeat has curtailed her economic development. The demographic requisites for growth are still present in the Japanese population."

Russia, says Mr. Vance, with her great industrial growth, ideology of expansion (national policy actively encourages large families), and medical and sanitary progress, is the one country capable of exploring the full possibilities of the second, or transitional growth stage.

The countries of central and northwest Europe were the first to enter the third phase, that of incipient decline. "France, Sweden, Iceland, Austria, England and Wales face declining populations by 1970 ....Germany may well be added to this group because of war losses.... Demographically speaking, these populations are reaching maturity."

Present trends of world population become evident when viewed with the perspective of historical changes. But the author acknowledges, in regard to the future, "modern demographers are inclined to set up only tentative guideposts. Knowledge of what can happen, and what is likely to happen if 'natural' forces have their way, is a challenge to men to use their intelligence and their will to produce results more in keeping with their needs and desires....We have seen that overpopulation can set in motion certain social and economic forces which check it (such as birth control). Will the fear of underpopulation do so?....Few experts believe that there can be any 'automatic' tendency to equilibrium in population, on the side checking population decline or on the side of arresting its growth. But consciousness of possible dangers makes a great difference in the affairs of men. Perhaps that is Malthus' most important lesson."

* * *

New Republic

HENRY Wallace's column in the July 5 issue of *New Republic* deals with the "American Fiasco in China." More and more," he says, "it becomes certain that the Chinese fiasco will be the first to drive home to the American people the complete bankruptcy of our foreign policy. Too many people know what is really going on in China. The corruption of the Kuomintang cannot be hidden ....Five billion dollars in American money and arms, poured into China since 1945, have not strengthened the Chinese dollar but have weakened it.

"More strikingly than anywhere else in the world, China's experience demonstrates that those who invoke arms against the people are doomed. ....Educated Chinese, who know that Chiang's days are numbered, nevertheless fear that US foreign policy will finally result, after Chiang's fall, in America's controlling what might be called a 'Co-Misery Sphere' consisting of Japan, the port cities of China, and Dutch Indonesia. They fear that in the final showdown it would be Japan that would dominate this area rather than the US....

"I asked a Chinese professor, who knows a great deal about Chinese agriculture both in the north and the south, how much the agricultural output could be increased within ten years if Chiang's regime were replaced by a people's government. He estimated that in the north the increase might be as much as 100 percent, and in the south 40 or 50 percent, using new varieties of crops, fertilizers, improved irrigation, etc.

"We in the US could help enormously in this new program if we got on the side of the people, and were willing to help China build an industry which would match her agricultural potentialities. When the imagination of the people of the US is gripped by this we shall have taken one of the decisive first steps toward world peace."

The Review's English Lesson—XLIV

IN the following paragraphs we reproduce from the July edition of *The Progressive* part of an article dealing with the annual Labor Party Conference in England which was held this year in the northern town of Scarborough. The conference was carefully observed by political commentators as an indication of what the politically conscious masses were thinking.

We have underlined idiomatic words and expressions to which you should pay particular attention, and have translated them below.

"....The British working-class in annual conference is increasingly conscious of its responsibilities and the need to placate **middle-of-the-road** 1) opinion if it is to retain political power.

"Nearly all the resolutions backed Government policy (even on wage stabilization)—thanks to the **"block" votes** 2) of hundreds of thousands wielded by the big unions, which **swamp** 3) the thousand or two of each local Labor Party.

"The **keynote speech** 4) delivered by Herbert Morrison, urged "consolidation" by the Party, and since this was not seriously challenged, one can **take it** 5) that the program for the 1950 General Election, already in the politicians' minds, will be a modest one, emphasizing social reform rather than further large **chunks** 6) of nationalization. This is known as **"wooing the middle-classes"** 7)—whose support Labor needs in considerable quantity on Election Day.

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What Chinese Papers Say

THE Chinese press in Shanghai last week commented more extensively than usual on foreign affairs, especially the East-West cold war in Berlin. But the bulk of editorial comment was still devoted to the clamor for reform within the Kuomintang.

The exchange of notes between the Chinese and the United States governments on the creation of a joint commission for rural reconstruction as a phase of the ECA China aid program was generally lauded by the few papers which commented on the subject.

The *Ta Kung Pao* was the only Shanghai Chinese daily which took editorial cognizance of the third anniversary of the atom-bombing of Hiroshima and it warned that the weapon which ended the Pacific War should not be used to encourage militant elements to start another world conflict.

* * *

Kuomintang Reform

ON the subject of Kuomintang reform, the *Tung Nan Jih Pao*, whose publisher was known to be close to Chen Li-fu and who actually travelled with the CC clique leader on his trip to the United States, significantly warned that unless the Kuomintang effects the reforms itself, such reforms might be forced on the governing party from the outside. It said:

"We feel that if the Kuomintang wants to change and to reform itself, it must begin with restoration of democracy in the Party. A revolutionary political party in which there is not much democratic spirit cannot expect its members to have a spontaneous revolutionary spirit and a spontaneous revolutionary discipline. There is no denying the fact that the Party has now become a yamen and that it has become bureaucratic and too much occupied with administrative details. It has become a large organization which does very little work. While it has a large membership, yet the spirit of its members is poor. In its activities, the Party emphasises only the higher-grade Party organs and ignores the lower-grade ones. One sees only inter-faction frictions in the Party, and very little cooperation among Party members. Experience shows that if the reform of the Party does not begin with the lower strata and with development of the democratic spirit in the Party, everything will prove futile.

"We wish to call attention once again to the fact that the true meaning of unity is not that the corrupt elements and the progressive elements in the Party should be made to continue to 'cooperate' with one another forever. A unity which does not distinguish good from bad is decidedly a great obstacle to the Party's progress. We do not need such unity. What we need is a relentless elimination of corrupt elements, so as to make possible a regeneration of the Party personnel."

The same paper in another editorial on the subject, observed: "The Party Affairs Reform Plan points out that the present illness of the Kuomintang is that it has lost its revolutionary spirit, that its way of doing things tends to be corrupt, that the common convictions of its members are not strong, and that Party discipline has become loose. . . .

"If the Reform Plan has diagnosed the disease right, then a careful study of its contents reveals that the problem is not one of reforming the Party, but rather one of the Party restoring its original character. It is not its doctrine and its platform and policies which need to be reformed; it is rather a problem of party personalities and Party affairs. Therefore, if there must be reforms today, the Party personalities and Party affairs must be reformed."

The Kuomintang-supervised *Shun Pao* contended that the "root of trouble with the Kuomintang (is) nothing other than that the Party has grown old. This illness can be cured only by 'reform.' But how should the Kuomintang reform itself?

"First, being an organic body, the Kuomintang must understand the principle of metabolism. If, in reforming Party affairs, the Kuomintang still does not severely 'reprimand itself' and thoroughly purge itself, so that the rotten dregs will remain and that the services of the good people in the Party will continue to be unused, how can the metabolic processes work? How can the Party be regenerated?

"Secondly, since the Kuomintang is a revolutionary political party, all those who have joined it should have done so out of their desire for revolution, and the primary requirement for a revolutionist is a spirit of self-sacrifice! From now on, those who do not have such a spirit should not be allowed to remain in the Kuomintang. We feel that the Kuomintang should courageously and resolutely oust all selfish people, including those who have used the Kuomintang as a stepping-stone to something else and those who have sought to enhance their prestige through the Party.

The *Chien Sien Jih Pao*, which is said to be close to General Ku Chu-tung, chief of staff of the Nationalist Army, offered several concrete steps for Party reform. They are:

"First, there should be an overall reorganization of all the Party headquarters of various grades in the country. The criteria for deciding whether the services of the present Party workers should be retained or not should be the actual work records and reputation of these workers.

"Secondly, democratic criticism and discussion in the Party should be encouraged, so as to enhance the vitality of the entire Party. However, such criticism and discussion should not be aimed at attacking those who differ from oneself.

"Thirdly, a fair and just policy of promotion for the Party personnel should be adopted, so that those who have a good work record may have an opportunity to develop their talents. The bad habit of using the services of minions rather than those of men of ability should be corrected."

"Fourthly, a Party Member Examination Committee should be organized and Party members should be required to re-register, and in such re-registration emphasis should be laid on quality rather than quantity, so that the corrupt and malicious elements can be excluded from the Party. But those who hesitate to re-register because they have despaired of the Party should be encouraged to re-register."

* * *

World Situation

THE usually conservative *Sin Wan Pao* jubilantly announced that the world situation "has taken a turn for the better," when commenting on Marshal Josef Stalin's conference with the American, British and French envoys at the Kremlin. Continuing, the paper said:

"A review of the various kinds of diplomatic negotiations which have taken place since the end of the war reveals that the fundamental cause of various international disputes is that no peace treaties have yet been concluded with the defeated nations. The fact that there have been repeated delays in the conclusion of the German and Japanese peace treaties is really the source of the unsettled conditions in the world today. In the interest of world stability and world peace, the peace conferences should be convoked and the peace treaties concluded at an early date.

"Next, in view of the fact that world peace is indivisible, we favor the immediate convocation, not only of a Big-Four, but also a Big-Five conference, so that the causes of trouble for Europe and the Far East can be uprooted simultaneously. Moreover, so far as the Far East is concerned, the situation in Korea is just as tense as that in Europe, because with the American and Soviet forces facing each other, an unfortunate incident may occur at any time. Therefore, after pondering the situation carefully, we have come to the conclusion that the convocation of a Big-Five conference is a matter of great urgency. So long as the German and Japanese peace treaties remain unconcluded, all negotiations held and agreements reached will doubtless prove futile."

What US Papers Say

EDITORIAL opinion in newspapers in the United States was skeptical of the results of the Belgrade conference on freedom of navigation on the Danube River. The Korean constitution and that country's new president were commented upon, as well as possible reform moves in China and, of course, the Berlin situation.

* * *

Danube Conference

CONTINUING to express some hope for cooperation, though increasingly skeptical as a result of Soviet action during the first days of the Belgrade Conference, US editorial writers were universally condemnatory of the "unyielding" and "trucculent" methods of Soviet Deputy Foreign Minister Andrei Vishinsky.

The *Washington Star* said in part: "The plan of the Soviet bloc is starkly simple. It is that Danube navigation shall be controlled by those states through which the river flows, and that outsiders have nothing to say in the matter....

"This is an entire reversal of the enlightened arrangement hitherto prevailing for almost a century, whereby navigation on the Danube was open on equal terms to the commerce of all nations. The economic advantages were incalculable. This greatest of European rivers, comparable to our Mississippi, thereby fulfilled its natural role as a vital artery of trade....The Belgrade conference is summarily tearing up those diplomatic scraps of paper and drawing up a new convention in complete disregard of the principle of free Danube navigation. And there seems to be nothing practicable that the Western powers can do about it, except sterile protests 'for the record.'"

The *Philadelphia Inquirer*: "The net result of the meeting is to demonstrate that Soviet Russia still clings to her two-world ideas, and has no intention of permitting the outside world to concern itself with affairs behind the iron curtain.

"The principle that the Danube, or other waterways, have economic meaning to the outside world is thrown out of the window. Instead, there is an extension of Soviet influence, similar to that sought two years ago when Russia tried to assume control of the strategically important Dardanelles. Persons familiar with Soviet history will not be surprised at this. Russia first tried to gain control of Eastern Europe by making a deal with the Nazis, pursued the same aim throughout the war, and still pursues it."

* * *

Korea's New Government

ACTION of the Korean National Assembly in adopting a constitution for a democratic republic of Korea was noted editorially as a long step forward by the *New York Times*, which said in part:

"The Korean National Assembly, elected on May 10 by the South Koreans, has moved a long step toward establishment of a government with the adoption of a constitution that appears to borrow both from the American and European systems ....Economically, the new constitution is more Socialistic than our own, providing as it does for state ownership of mines, water power, marine resources, transportation and utilities, but a system of government monopolies was common to Korea under her kings and under the Japanese. A way is left for eventual transfer to private ownership through a system of licenses....

"It is an enormous task that awaits the new government, one that has not been made easier by almost three years of procrastination and delay by the occupying powers. The Koreans however, can be expected to cooperate freely with a government of their own choosing. The sooner the country's affairs are turned over to such a government, the better it will be for the Koreans...."

Election of Dr. Syngman Rhee as Korean President was praised in a *Washington Star* editorial which said in part: "Under the best circumstances, President Rhee would face a difficult task even if his country were united and occupation troops were withdrawn. Soviet policy—aimed at total dominance—has made that task many times more difficult. But he has certain advantages. To begin with, the overwhelming majority of the Korean people—two-thirds of whom live in the American zone—regard him as their first citizen. Above all, the overwhelming majority of the United Nations, having helped to bring it about with free elections, recognizes and supports his Government as the only legitimate Korean authority—a recognition that the northern Communist puppets will never enjoy."

* * *

KMT Reform

THE *New York Herald Tribune*, in an editorial entitled "Hope for China," said recently:

"Leaders of important minority groups in the Kuomintang Party in China are bringing stronger and stronger pressure for reform on Generalissimo Chiang Kai-shek. These leaders no longer would be satisfied with surface reforms, such as reshuffling of officials. Such changes in the past merely have brought a few able and honest men, like Premier Wong Wen-hao, to positions of apparent power. They have left the real power in the hands of those who control the party machinery and the army. The men who now demand reform insist on dramatic action that will produce more honesty and efficiency in the army and in the civilian branches of the Government and that will give high positions to men who have an intense interest in the welfare of the Chinese people. They want such drastic action that all men who are not Communists will be convinced that the Government is worth supporting. They desire to remove from posts of influence men like the reactionary Chen Li-fu, who is party boss of the Kuomintang and leader of the party's right wing. They do not seek this extreme action because Mr. Chen is corrupt, for he is not, but because this scholarly student of Confucius still thinks in terms of the fifth century, B.C., and cannot be made to realize that the will of the people is important, even in China; in the 20th century, A.D.

"Many Americans who have given prolonged study to the Chinese problem will be heartened by the present activities of the reform group in the Kuomintang. They will be heartened because they believe that American aid for China can be nothing more than aid—it cannot, of itself, produce solutions—and that China's problems must be solved by the Chinese."

* * *

Berlin Crisis

MANAGING EDITOR James Russell Wiggins, writing in the *Washington Post* on the Berlin situation, declared recently: "World War III will not start in Berlin unless Soviet Russia starts it.... The United States is determined to carry out its obligations to feed and supply the Western sectors of Berlin and it will not be dissuaded from the fulfillment of its duties and the exercise of its rights by threats of any kind....

"The State Department is proceeding in the fullest confidence that its determination to stay in Berlin has the overwhelming support of American public opinion. It is going forward in a search for some alternative to a military solution. . .

"Such diplomatic exchanges as have taken place highlight the difficulties of this kind of negotiation with a group of Western democratic powers on one side and a single centralized government on the other side. The Russians can move swiftly with their declarations. Response from the Western powers has to be painfully and patiently developed among all the Foreign Offices. The diplomatic phases of the struggle are by no means at an end. It might be said more accurately that they are at the beginning. Before the resources of diplomacy have been exhausted, there will be a record of purpose, wish and intention so clear that Western will for peace will be unmistakable. It is going to be made plain to the world that the United States and the powers associated with it are not to blame for any resort to force that might arise out of this crisis. . ."

NEW BOOKS OF INTEREST

Middle Ground

THE ECONOMIC PROBLEM IN PEACE AND WAR. *By Lionel Robbins, Professor of Economics in the University of London. Published by Macmillan and Co., Ltd., London, 1947. 86 pages. 3s. 6d. net.*

AN ESSAY ON MARXIAN ECONOMICS. *By Joan Robinson. Published by Macmillan and Co., Ltd., London, 1947. A Re-issue, 101 pages and index. 6s. net. Reviewed by Donald Roberts.*

One may not like totalitarian collectivism yet may also be dissatisfied with orthodox individualist economics. Can a middle ground be found?

The two books under review inquire into this problem. Both emanate from Cambridge, for the substance of Professor Robbins' little book was given in three lectures at that university, and both have been published by Macmillan. Instead of the "dismal science" of the 19th century, each is concerned with an economics of welfare.

"What lessons have been learned from the war economy?" Professor Robbins asks. The prewar economy was largely occupied with the function of price. The price system, it was believed, secured distribution of produced goods, it indicated what the consumers preferred, it served as a stimulus and a guide to the organization of production. But the war economy suspended the price system and introduced various forms of control from above. Now that the war is over and the concrete objective of winning a war has been replaced by the general objective of the maximum welfare, Mr. Robbins would now let prices adjust themselves gradually, for he considers the market system essentially good since it allows the consumer to make the decision and adapts itself to public policy. "I am not greatly impressed . . . that we should seek to reach 'bliss' at a pace much smarter than our private inclinations make probable; I acknowledge some obligation to posterity but not necessarily to that." But if Mr. Robbins wishes a return to the price system, he nevertheless advocates an "over-all financial planning." To plan is "to attempt to act with foresight and intelligence." Avoiding the tendency "to adapt the people to the plan rather than the plan to the people," his planning would mean the stabilizing of demand.

The approach of Joan Robinson, in *An Essay on Marxian Economics*, is best illustrated in the last five lines of her little book. "Marx, however imperfectly he worked out the details, set himself the task of discovering the law of motion of capitalism, and if there is any hope of progress in economics at all, it must be in using academic methods to solve the problems posed by Marx." Starting with objections to Marx's terminology rather than to his arguments, she points out that his labor theory of value obscures the issue. But the orthodox theory "is in no better case. If there is any law governing the distribution of income between classes, it still remains to be discovered." Returning to the same theme at the end, she writes: "If the problem of the profit margin could be solved, it would isolate one major influence upon the distribution of the social income between classes." Again, the author points out that Marx went wrong in predicting a fall in wages with the advance of capitalism, but so too was the orthodox view that the money wage determined the real wage, a view that has been challenged by Keynes and recent economists. In these and other respects the orthodox and the Marxian systems are both faulty, and the most promising contribution of Marx is his historical approach.

War Artery

The Building of the Burma Road, by Tan Pei-ying. New York, McGraw-Hill, 1945. 200pp. U.S.$2.75. Photographs, map. Reviewed by F. M. Roberts.

THE story told in this book of the building of the Burma Road is needed today to reaffirm our faith in the courage and power of the *lao pai hsing* of China. Amazing though the solutions of engineering problems were, the solutions of technical problems take second place in interest to the indomitable courage and patience of the workers, most of whom were recruited from the countryside. This great road, matching China's ancient wall, was built by the bare hands of men and women, a monument to hundreds and thousands of nameless workers.

No one needs to be reminded of the psychological effect which the building of the road had upon China and upon the world. The opening of this area, first described to the West by Marco Polo, lifted the spirits of men in all free countries.

All the initial work of construction had to be done by hand by primitive local methods, pumping water, breaking stone and carrying it in baskets. With never less than 20,000 laborers on the Road at one time, in addition to the thousand staff members and engineers, the problem of supply was serious but it was solved.

There have been other accounts of the Burma Road, such as that published in 1940 by Nicol Smith who drove over the road in the rainy season with Consul Paul Meyer. But no account can compare with this book written by Mr. Tan who had direct supervision of the construction of the Burma Road from 1938 until the coming of the Japanese into Burma in 1942. At that time it was necessary to dynamite the Salween bridge and to destroy fifteen miles of the road under Japanese gunfire. The excellent map and photographs add much to the book.

It is three years since this book was published, and six years since the last event it records. But the achievement and the spirit which it describes symbolize our need at this moment.

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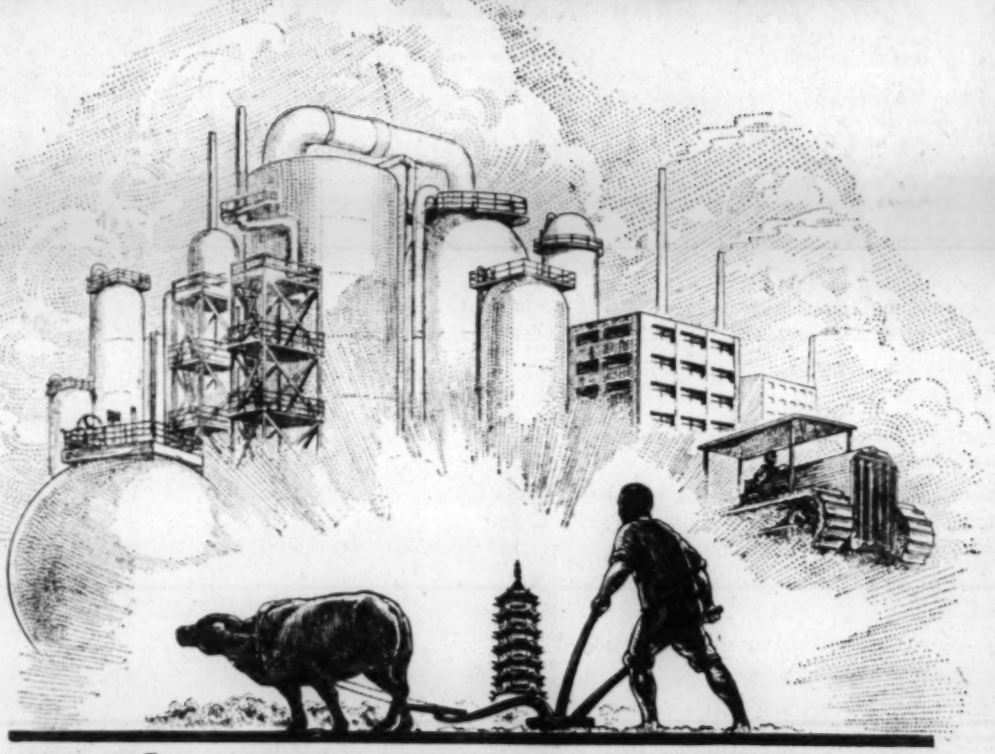

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